

<i>SERFF Tracking Number:</i>	<i>STAT-125722540</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>State Auto Property and Casualty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$25</i>
<i>Company Tracking Number:</i>	<i>SAC-HO-2008-264</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Arkansas Home</i>		
<i>Project Name/Number:</i>	<i>Rules eff 11-15-08/SAC-HO-2008-264</i>		

## Filing at a Glance

Companies: State Auto Property and Casualty Insurance Company, State Automobile Mutual Insurance Company		
Product Name: Arkansas Home	SERFF Tr Num: STAT-125722540	State: Arkansas
TOI: 04.0 Homeowners	SERFF Status: Closed	State Tr Num: EFT \$25
Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations	Co Tr Num: SAC-HO-2008-264	State Status: Fees verified and received
Filing Type: Rule	Co Status:	Reviewer(s): Becky Harrington, Betty Montesi
	Authors: Doug Griffith, Amanda Scott	Disposition Date: 08/04/2008
	Date Submitted: 07/09/2008	Disposition Status: Filed
Effective Date Requested (New): 11/15/2008		Effective Date (New):
Effective Date Requested (Renewal): 11/15/2008		Effective Date (Renewal):
State Filing Description:		

## General Information

Project Name: Rules eff 11-15-08	Status of Filing in Domicile:
Project Number: SAC-HO-2008-264	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 08/04/2008	
State Status Changed: 07/09/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
With this filing we are revising our Homeowner Options program, as detailed in the Summary of Proposed Changes.	
A copy of the revised manual pages is attached.	

<i>SERFF Tracking Number:</i>	<i>STAT-125722540</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>State Auto Property and Casualty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$25</i>
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<i>Product Name:</i>	<i>Arkansas Home</i>		
<i>Project Name/Number:</i>	<i>Rules eff 11-15-08/SAC-HO-2008-264</i>		

## Company and Contact

### Filing Contact Information

Doug Griffith, Supervisor, State Filings	doug.griffith@stateauto.com
518 E. Broad Street	(614) 917-5492 [Phone]
Columbus, OH 43215	(614) 887-1615[FAX]

### Filing Company Information

State Auto Property and Casualty Insurance Company	CoCode: 25127	State of Domicile: Iowa
1300 Woodland Ave	Group Code: 175	Company Type: Property and Casualty

PO Box 66150		
West Des Moines, IA 50265-0150	Group Name:	State ID Number:
(614) 464-5000 ext. [Phone]	FEIN Number: 57-6010814	

State Automobile Mutual Insurance Company	CoCode: 25135	State of Domicile: Ohio
518 E. Broad Street	Group Code: 175	Company Type: Property and Casualty

PO Box 182822		
Columbus, OH 43215	Group Name:	State ID Number:
(614) 464-5000 ext. [Phone]	FEIN Number: 31-4316080	

## Filing Fees

Fee Required?	Yes
Fee Amount:	\$25.00
Retaliatory?	No
Fee Explanation:	
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
State Auto Property and Casualty Insurance Company	\$25.00	07/09/2008	21309146

<i>SERFF Tracking Number:</i>	<i>STAT-125722540</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>Arkansas Home</i>		
<i>Project Name/Number:</i>	<i>Rules eff 11-15-08/SAC-HO-2008-264</i>		
<b>State Automobile Mutual Insurance Company</b>		<b>\$0.00</b>	<b>07/09/2008</b>



SERFF Tracking Number:	STAT-125722540	State:	Arkansas
First Filing Company:	State Auto Property and Casualty Insurance Company, ...	State Tracking Number:	EFT \$25
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TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Arkansas Home		
Project Name/Number:	Rules eff 11-15-08/SAC-HO-2008-264		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	08/04/2008	08/04/2008
Filed	Becky Harrington	07/09/2008	07/09/2008

### Amendments

Item	Schedule	Created By	Created On	Date Submitted
Revised Manual Pages	Rate	Amanda Scott	08/04/2008	08/04/2008

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Manual Revision	Note To Reviewer	Amanda Scott	07/28/2008	07/28/2008

SERFF Tracking Number:	STAT-125722540	State:	Arkansas
First Filing Company:	State Auto Property and Casualty Insurance Company, ...	State Tracking Number:	EFT \$25
Company Tracking Number:	SAC-HO-2008-264		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Arkansas Home		
Project Name/Number:	Rules eff 11-15-08/SAC-HO-2008-264		

## Disposition

Disposition Date: 08/04/2008

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment: Disposition to re-close filing after revisions to manual pages

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

SERFF Tracking Number: STAT-125722540 State: Arkansas

First Filing Company: State Auto Property and Casualty Insurance State Tracking Number: EFT \$25  
Company, ...

Company Tracking Number: SAC-HO-2008-264

TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Arkansas Home

Project Name/Number: Rules eff 11-15-08/SAC-HO-2008-264

Item Type	Item Name	Item Status	Public Access
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp		Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty		Yes
Supporting Document	Summary of Proposed Changes	Filed	Yes
Rate (revised)	Revised Manual Pages	Filed	Yes
Rate	Revised Manual Pages		Yes

SERFF Tracking Number:	STAT-125722540	State:	Arkansas
First Filing Company:	State Auto Property and Casualty Insurance Company, ...	State Tracking Number:	EFT \$25
Company Tracking Number:	SAC-HO-2008-264		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Arkansas Home		
Project Name/Number:	Rules eff 11-15-08/SAC-HO-2008-264		

## Disposition

Disposition Date: 07/09/2008  
Effective Date (New): 11/15/2008  
Effective Date (Renewal): 11/15/2008  
Status: Filed  
Comment:

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0



SERFF Tracking Number: STAT-125722540 State: Arkansas

First Filing Company: State Auto Property and Casualty Insurance State Tracking Number: EFT \$25  
Company, ...

Company Tracking Number: SAC-HO-2008-264

TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Arkansas Home

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Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	NAIC loss cost data entry document		Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp		Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty		Yes
Supporting Document	Summary of Proposed Changes	Filed	Yes
Rate (revised)	Revised Manual Pages	Filed	Yes
Rate	Revised Manual Pages		Yes

SERFF Tracking Number: STAT-125722540 State: Arkansas  
First Filing Company: State Auto Property and Casualty Insurance State Tracking Number: EFT \$25  
Company, ...  
Company Tracking Number: SAC-HO-2008-264  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Arkansas Home  
Project Name/Number: Rules eff 11-15-08/SAC-HO-2008-264

## Amendment Letter

Amendment Date:

Submitted Date: 08/04/2008

### Comments:

Per our note to reviewer we have revised our payment plan section to remove the wording that a customer can pay a down payment with their credit card. We have also expanded our payment options section to include all available payment options.

### Changed Items:

#### Rate/Rule Schedule Item Changes:

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Numbers:	Attach Document:
Revised Manual Pages	Various Pages	Replacement		AR Home Manual eff 11-15-08 revised pages with pay plan change.pdf

SERFF Tracking Number:	STAT-125722540	State:	Arkansas
First Filing Company:	State Auto Property and Casualty Insurance Company, ...	State Tracking Number:	EFT \$25
Company Tracking Number:	SAC-HO-2008-264		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Arkansas Home		
Project Name/Number:	Rules eff 11-15-08/SAC-HO-2008-264		

### Note To Reviewer

**Created By:**

Amanda Scott on 07/28/2008 09:08 AM

**Subject:**

## Manual Revision

**Comments:**

It has come to our attention that there is an error to our revised payment plan pages. Can this filing be reopened to correct the manual error?

<i>SERFF Tracking Number:</i>	<i>STAT-125722540</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>State Auto Property and Casualty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$25</i>
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<i>Project Name/Number:</i>	<i>Rules eff 11-15-08/SAC-HO-2008-264</i>		

## Rate Information

Rate data does NOT apply to filing.

<i>SERFF Tracking Number:</i>	<i>STAT-125722540</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>State Auto Property and Casualty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$25</i>
<i>Company Tracking Number:</i>	<i>SAC-HO-2008-264</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Arkansas Home</i>		
<i>Project Name/Number:</i>	<i>Rules eff 11-15-08/SAC-HO-2008-264</i>		

## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Revised Manual Pages	Various Pages	Replacement	AR Home Manual eff 11-15-08 revised pages with pay plan change.pdf

# ARKANSAS HOMEOWNER OPTIONS MANUAL

## General Rules Section

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2. Policy Forms and Descriptions of Coverage.....	1
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4. Additional Interest .....	3
5. Mandatory Coverages.....	4
6. Processing Instructions.....	4
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8. Other Insurance .....	6
9. Cancellation Or Reductions In Limits of Liability Or Coverages.....	6
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# ARKANSAS HOMEOWNER OPTIONS MANUAL

## General Rules Section

### 7. POLICY PERIOD/PAYMENT PLAN

- A. The Homeowner Options Policy may be written for a period of one year.
- B. The Homeowner Options Program is eligible for Direct Bill and Electronic Fund Transfer Billing per the table below:

Twelve Month Policy Term			
Pay Plan Options	E-Pay Available	Service Charge	Billing Due Dates
Full Pay	Yes	N/A	Full payment due at inception of policy term.
Two Pay	Yes	N/A	50% due at inception with remaining due in 6 months
Four Pay	Yes	\$4 N/A- EFT	25% due at inception with remaining billed in 25% installments each 90 days
Monthly	Yes	\$4 N/A- EFT	1/12 <sup>th</sup> due at inception with remaining billed in installments every 30 days

- C. **Timing Considerations**—The number of installments will be determined by the number of months remaining in the policy term at the time the policy is set up. At renewal, the payment cycle will convert to the valid pay plan that was selected.
- D. **Electronic Funds Transfer (“E-Pay”)**  
The insured has the option of choosing a date between the 1<sup>st</sup> and 28<sup>th</sup> of the month that they would like the deduction to take place on EFT billed policies. Using the effective date of the policy for the EFT effective date will ensure that the insured is current on installment payments. The insured will be notified by the company 14 days in advance of the initial amount of premium to be deducted, as well as any changes to that amount of one dollar (\$1.00) or more.
- This option is available for new and existing business. Once State Auto receives the enrollment form, the insured's policy will be set up for the electronic funds transfer. This option is not available on premium financed or mortgagee billed policies.
- E. **Customers Can Pay:**
- 1) **By Check** – Customers can mail in a check with the invoice billing stub.
  - 2) **EFT** – Customers can have an automatic deduction taken from their bank account. Refer to item D.
  - 3) Payments can be made any time of the day or night, seven days a week, by **credit** or **debit card** ((Visa or Master Card), or **automated check** (ACH payment), using either of these options:
    - a) **Pay on the Web** at [www.stateauto.com](http://www.stateauto.com) – After selecting the option to “Pay Your Policy” customers can make a one-time payment without enrolling in the system or they can enroll in our “Pay Now” program where personal and payment type information is stored to facilitate and expedite future payments.
    - b) **Pay By Phone** using our automated service – just call 1-800-444-9950, extension 5118.

# ARKANSAS HOMEOWNER OPTIONS MANUAL

## General Rules Section

### 7. POLICY PERIOD/PAYMENT PLAN (continued)

**F. Agent “Sweep” / Upload Payments** – Agents can collect insured payments in their office, deposit in their bank account, and State Auto “Sweeps” the money out via electronic transaction.

- 1) **New Business** – Agencies may upload insured new business and down payments through AgentSite netXpress.
- 2) **Installment Payments** – Agents can “Sweep” insureds installment payments received in their office via State Auto’s AgentSite.

Contact Agency Interface Services at 1-888-999-8103 for more information on “Sweeping”.

**G. NSF Charge** – A \$20 non-sufficient funds fee will be charged on all returned payments if returned for insufficient funds.

**H.** If the policy is to be mortgagee bill, the policy must be paid in full.

### 8. OTHER INSURANCE

Credit for existing insurance is not permitted.

### 9. CANCELLATION OR REDUCTIONS IN LIMITS OF LIABILITY OR COVERAGES

It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is canceled.

If insurance is canceled or reduced at the request of either the insured or insurer, the earned premium shall be computed on a pro rata basis as follows:

**A. Instructions for Determining Pro Rata Cancellation**

**Step 1.** Determine the remaining number of days in the policy term (cancellation date to expiration date).

**Step 2.** Determine the number of days in the policy term (effective date to expiration date).

**Note:** To arrive at the number of days:

1. From the Homeowner Options pro rata table, find the Julian day for each date (effective date, expiration date, cancellation date).
2. For the remaining days in term, subtract the cancellation day (Julian) from the expiration day (Julian) and for the Numbers of days in term, subtract the effective day (Julian) from the expiration day (Julian).

If either the effective day or cancellation day is greater than the expiration day, add 365 to the expiration day before subtracting. (When any of the dates are in a leap year and the effective date or cancellation date is on or before February 28<sup>th</sup> and the expiration date is after February 28<sup>th</sup>, add one day to the result.) For annual policies, use 365 days for actual number of days in term, unless it is a leap year, then use 366.

**Step 3.** Determine the unearned percentage factor by dividing the remaining number of days from Step 1 by the actual number of days from Step 2 and round to the third position to the right of the decimal (i.e. x.xxx)

**Step 4.** Multiply the most current full term premium by the factor from Step 3. (calculate each coverage separately and round to the nearest dollar after each calculation).



# ARKANSAS HOMEOWNERS PROGRAM

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SERFF Tracking Number:	STAT-125722540	State:	Arkansas
First Filing Company:	State Auto Property and Casualty Insurance Company, ...	State Tracking Number:	EFT \$25
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TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Arkansas Home		
Project Name/Number:	Rules eff 11-15-08/SAC-HO-2008-264		

## Supporting Document Schedules

<b>Bypassed -Name:</b>	HPCS-Homeowners Premium Comparison Survey	<b>Review Status:</b>	07/03/2008
<b>Bypass Reason:</b>	N/A		
<b>Comments:</b>			
<b>Bypassed -Name:</b>	NAIC loss cost data entry document	<b>Review Status:</b>	07/03/2008
<b>Bypass Reason:</b>	N/A		
<b>Comments:</b>			
<b>Bypassed -Name:</b>	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	<b>Review Status:</b>	07/03/2008
<b>Bypass Reason:</b>	N/A		
<b>Comments:</b>			
<b>Bypassed -Name:</b>	Uniform Transmittal Document-Property & Casualty	<b>Review Status:</b>	07/03/2008
<b>Bypass Reason:</b>	N/A		
<b>Comments:</b>			
<b>Satisfied -Name:</b>	Summary of Proposed Changes	<b>Review Status:</b>	07/09/2008
<b>Comments:</b>		Filed	
<b>Attachment:</b>			
	AR HO RU Summary of Proposed Changes.pdf		

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## Summary of Proposed Changes

Arkansas - Homeowner Options Program  
State Automobile Mutual Insurance Company  
State Auto Property & Casualty Insurance Company  
Page 1 of 1

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**1) Payment plans:**

We are adding a timing considerations section as well as revising our payment options for clarification purposes.

**2) Miscellaneous Rule Changes:**

We are revising our manual as outlined in the following table:

Rule Name and Description of Change	New Rule # and New Page #	Old Rule # and Old Page #
General Rules, Table of Contents-Adjusted Rules and Page numbers to reflect changes.		
General Rules, Policy Term/Payment Options, revised our payment options wording for clarification purposes. Additions caused Rule 8 to shift to the next page.	Rule 7, Pages GR-5 and GR-6	Rule 7, Page GR-5
Index, revised index due to the shift of rule 8 to a new page	Index Page 3	Index Page 3

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## Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Rate and Rule	Revised Manual Pages	07/07/2008	AR Home Manual eff 11-15-08 revised pages.pdf

# ARKANSAS HOMEOWNER OPTIONS MANUAL

## General Rules Section

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# ARKANSAS HOMEOWNER OPTIONS MANUAL

## General Rules Section

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This option is available for new and existing business. Once State Auto receives the enrollment form, the insured's policy will be set up for the electronic funds transfer. This option is not available on premium financed or mortgagee billed policies.

E. **Customers Can Pay:**

- 1) **Down Payments** – Customers can use their credit card to make a down payment when taking out a new policy with State Auto. Agents can access the Credit Card payment Agreement New Business Cash With Application Only Form (CG874) via AgentSite. This form must be completed and faxed to the number provided on the form.
- 2) **By Check** – Customers can mail in a check with the invoice billing stub.
- 3) **EFT** – Customers can have an automatic deduction taken from their bank account. Refer to item D.
- 4) Payments can be made any time of the day or night, seven days a week, by **credit** or **debit card** ((Visa or Master Card), or **automated check** (ACH payment), using either of these options:
  - a) **Pay on the Web** at [www.stateauto.com](http://www.stateauto.com) – After selecting the option to “Pay Your Policy” customers can make a one-time payment without enrolling in the system or they can enroll in our “Pay Now” program where personal and payment type information is stored to facilitate and expedite future payments.
  - b) **Pay By Phone** using our automated service – just call 1-800-444-9950, extension 5118.

# ARKANSAS HOMEOWNER OPTIONS MANUAL

## General Rules Section

### 7. POLICY PERIOD/PAYMENT PLAN (continued)

- F. Agent “Sweep” / Upload Payments** – Agents can collect insured payments in their office, deposit in their bank account, and State Auto “Sweeps” the money out via electronic transaction.
- 1) **New Business** – Agencies may upload insured new business and down payments through AgentSite netXpress.
  - 2) **Installment Payments** – Agents can “Sweep” insureds installment payments received in their office via State Auto’s AgentSite.
- Contact Agency Interface Services at 1-888-999-8103 for more information on “Sweeping”.
- G. NSF Charge** – A \$20 non-sufficient funds fee will be charged on all returned payments if returned for insufficient funds.
- H.** If the policy is to be mortgagee bill, the policy must be paid in full.

### 8. OTHER INSURANCE

Credit for existing insurance is not permitted.

### 9. CANCELLATION OR REDUCTIONS IN LIMITS OF LIABILITY OR COVERAGES

It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is canceled.

If insurance is canceled or reduced at the request of either the insured or insurer, the earned premium shall be computed on a pro rata basis as follows:

**A. Instructions for Determining Pro Rata Cancellation**

- Step 1.** Determine the remaining number of days in the policy term (cancellation date to expiration date).
- Step 2.** Determine the number of days in the policy term (effective date to expiration date).

**Note:** To arrive at the number of days:

1. From the Homeowner Options pro rata table, find the Julian day for each date (effective date, expiration date, cancellation date).
2. For the remaining days in term, subtract the cancellation day (Julian) from the expiration day (Julian) and for the Numbers of days in term, subtract the effective day (Julian) from the expiration day (Julian).

If either the effective day or cancellation day is greater than the expiration day, add 365 to the expiration day before subtracting. (When any of the dates are in a leap year and the effective date or cancellation date is on or before February 28<sup>th</sup> and the expiration date is after February 28<sup>th</sup>, add one day to the result.) For annual policies, use 365 days for actual number of days in term, unless it is a leap year, then use 366.

- Step 3.** Determine the unearned percentage factor by dividing the remaining number of days from Step 1 by the actual number of days from Step 2 and round to the third position to the right of the decimal (i.e. x.xxx)
- Step 4.** Multiply the most current full term premium by the factor from Step 3. (calculate each coverage separately and round to the nearest dollar after each calculation).

# ARKANSAS HOMEOWNERS PROGRAM

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